# HOUSE BILL No. 1246

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 27-2-21.

**Synopsis:** Use of credit information by insurance companies. Prohibits use of credit information in connection with insurance coverage. Repeals certain statutes concerning use of credit information by insurers in connection with the issuance of an insurance policy.

**Effective:** July 1, 2009.

## Herrell

January 12, 2009, read first time and referred to Committee on Insurance.

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First Regular Session 116th General Assembly (2009)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type.~~
  Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in  **this  style  type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.
  Conflict reconciliation: Text in a statute in *this style type* or ~~*this style type*~~ reconciles conflicts between statutes enacted by the 2008 Regular Session of the General Assembly.

# HOUSE BILL No. 1246

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A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

*Be it enacted by the General Assembly of the State of Indiana:*

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1       SECTION  1. IC  27-2-21-5  IS  AMENDED  TO  READ  AS
2   FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 5. As used in this
3   chapter, "consumer" means an:
4          (1) insured whose:
5             (A) credit information is used; or
6             (B) insurance score is calculated;
7          in the underwriting or rating of a personal an insurance policy; or
8          (2) applicant for a personal an insurance policy.
9       SECTION  2. IC  27-2-21-7  IS  AMENDED  TO  READ  AS
10  FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 7. As used in this
11  chapter, "credit information" means credit related information:
12          (1) derived from a credit report;
13          (2) found on a credit report; or
14          (3) provided on an application for a personal an insurance policy.
15  The term does not include information that is not credit related,
16  regardless of whether the information is contained in a credit report or
17  in an application or is used to calculate an insurance score.
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1   SECTION 3. IC 27-2-21-8 IS AMENDED TO READ AS
2   FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 8. As used in this
3   chapter, "credit report" means a written, an oral, or another
4   communication of information by a consumer reporting agency
5   concerning a consumer's creditworthiness, credit standing, or credit
6   capacity that is used or expected to be used or collected as a factor to
7   determine ~~personal~~ insurance policy premiums, eligibility for coverage,
8   or tier placement.
9   SECTION 4. IC 27-2-21-9.7 IS ADDED TO THE INDIANA CODE
10  AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
11  1, 2009]: **Sec. 9.7. As used in this chapter, "insurance" has the**
12  **meaning set forth in IC 27-1-2-3.**
13  SECTION 5. IC 27-2-21-12 IS AMENDED TO READ AS
14  FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 12. As used in this
15  chapter, "insured" means ~~an individual~~ **a person** entitled to coverage
16  under ~~a personal~~ **an** insurance policy.
17  SECTION 6. IC 27-2-21-13 IS AMENDED TO READ AS
18  FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 13. As used in this
19  chapter, "insurer" ~~refers to an insurer (as defined in IC 27-1-2-3) that~~
20  ~~issues a personal insurance policy.~~ **has the meaning set forth in**
21  **IC 27-1-2-3.**
22  SECTION 7. IC 27-2-21-15.5 IS ADDED TO THE INDIANA
23  CODE AS A **NEW** SECTION TO READ AS FOLLOWS
24  [EFFECTIVE JULY 1, 2009]: **Sec. 15.5. An insurer may not use**
25  **credit information in connection with:**
26      **(1) the issuance, underwriting, renewal, cancellation, or denial**
27      **of insurance coverage; or**
28      **(2) any other action related to insurance coverage.**
29  SECTION 8. THE FOLLOWING ARE REPEALED [EFFECTIVE
30  JULY 1, 2009]: IC 27-2-21-1; IC 27-2-21-2; IC 27-2-21-3;
31  IC 27-2-21-4; IC 27-2-21-9; IC 27-2-21-10; IC 27-2-21-14;
32  IC 27-2-21-15; IC 27-2-21-16; IC 27-2-21-17; IC 27-2-21-18;
33  IC 27-2-21-19; IC 27-2-21-20; IC 27-2-21-21; IC 27-2-21-22.

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